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Coal Industry News

COAL'S NATIONAL NEWSPAPER

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AS THE WESTERN COAL MINING INSTITUTE MEETS, the outlook for the United States coal industry appears brighter than at any time in recent years. The announcement by President Carter in Venice that the U.S. and our allies have vowed to cut dependence on oil and shift to coal might well spark an unprecedented boom in coal production. Photos above of Western coal production shows that United States coal producers are ready to meet the challenge.

79th Rocky Mountain Coal Mining Institute Opens

By GENE SMITH

GILLETTE, Wyoming

This week as coal men gather at Vail, Col., and in the nation's capitol to discuss COAL NOW, it's especially inspiring to see the great strides the industry is making in the West.

This region is certainly living up to its reputation as the brightest spot in the coal world.

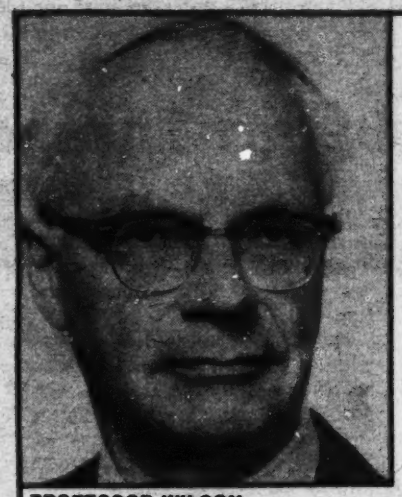
Despite the recession and severe cutbacks in the steel and automobile industries, the National Coal Association is sticking by its forecast of a 3.9 percent increase in coal production this year to a first-ever level of 800-million tons. Eastern production is expected to total 561-million tons against last year's output of 554-million tons.

The real gain will be in the West with an expected output of 239-million tons, up 1.2 percent over 1979's 216-million level. In 1977 coal production West of the Mississippi River amounted to just 163.9-million tons and it's been growing steadily ever since.

Touring this region from Burlington Northern's rail center at Alliance, Neb., to AMAX's giant operations around here, it's easy to see that this is just the beginning. The fact that the Administration's $20-billion synfuels program has finally cleared the Senate and seems assured of passage in the House portends well for the future of coal across the nation.

Alliance Neb., 232 miles southeast of Gillette, is the hub of the Burlington Northern division that serves the coal industry with 1,042 miles of main and branch lines in

(Continued on Page 4)



PROFESSOR WILSON
World Coal Study's
Project Director

Professor Wilson: 'Utility Companies Can Finance Shift To Coal-Fired Generation In Regular Financial Channels'

By ROBERT E. BEDINGFIELD

CAMBRIDGE, MASS.

Professor Carroll L. Wilson of the Massachusetts Institute of Technology was project director of the World Coal Study, which in May issued a 247-page report pointing a path through the next 20 years that would avert a disastrous shortage of energy for essential growth.

The report, the result of an intensive study by 38 persons holding key positions in government and private industry in

A CINews Exclusive

16 countries around the world, calls on the industrial nations to prepare for a three-fold increase in steam coal production and a ten-fold increase in the movement of coal in world trade by 2000.

An impressive shopping list of coal-carrying ships, coal terminals for imports and coal piers for exports, railroads for transport and mines for production, make up a large part of the report, which concludes that coal can help bridge the transition from the fading petroleum era to next century's renewable energy.

CINews went to Professor Wilson shortly after the report,

> The Flick Group, the $5-billion West German conglomerate, is taking a leading role as coal moves towards solving the world's oil-supply crisis. An exclusive CINews interview by Robert E. Bedingfield with the managers of this privately-owned enterprise will appear in the July 14 issue.

titled "Coal-Bridge to the Future" was released. It found him most gratified by the attention the study aroused and unconvinced by some opinions that the world will not recognize the urgency of the problem in time to apply the report's remedies.

"I haven't seen or heard of any holes in the picture that we came up with that a five percent annual growth in coal

(Continued on Page 4)

INSIDE THIS ISSUE. . .

DESPITE THE THREAT of continuing eruptions from Mt. St. Helens, prospects appear bright for a new coal port in the Pacific Northwest. (Page 2)

SYNFUELS AND SLURRY PIPELINES appear likely to spark a boom for Western coal but most projects await final approval and financing. (Page 9)

JOHN CORCORAN SEES public attitudes starting to change but says industry still viewed as 'hazardous, dirty and polluting. (Page 11)

CONGRESSMAN RAHALL URGES the Democratic Party to adopt a strong coal plank in its platform. (Page 20)

DOMESTIC

	June 7	May 31	June 9
PRODUCTION	1980	1980	1979
Bituminous, recent week	17,755	14,985	18,670
Bituminous, Yr. to date	360,770	343,015	327,134
Anthracite, recent week	119	134	115
Anthracite, Yr. to date	2,366	2,247	2,461
Bituminous, Bitu.:			
Recent week	121,135	102,296	111,700
Yr. to date	2,482,138	2,361,003	2,197,130
Anthracitedings, Anthra.:			
Recent week	720	812	660
Yr. to date	12,260	11,540	11,855

Production data in thousands of short tons.
Source: U.S. Dept. of Energy, Energy Information Administration - Weekly Coal Report. Association of American Railroads, Car Service Division - Statement CS-54A.

By States (Bituminous and Lignite)	5/10/80	5/3/80	5/12/79
Eastern			
Alabama	534	530	461
Georgia	2	2	2
Illinois	1,312	1,301	1,319
Indiana	570	563	517
Kentucky:			
Eastern	2,265	2,243	1,936
Western	985	980	929
Total, Ky.	3,250	3,223	2,865
Maryland	50	68	58
Ohio	999	997	750
Pennsylvania	2,050	2,049	1,878
Tennessee	276	275	225
Virginia	1,107	1,096	892
West Virginia	2,210	2,206	2,065
Total, Eastern	12,360	12,310	11,033
Western			
Alaska	16	15	14
Arizona	221	220	253
Arkansas	15	14	13
Colorado	356	344	254
Iowa	12	11	25
Kansas	11	11	12
Missouri	127	118	119
Montana	713	709	899
New Mexico	289	287	210
North Dakota	298	296	285
Oklahoma	124	114	120
Texas	534	530	345
Utah	133	131	255
Washington	101	100	90
Wyoming	1,715	1,680	1,063
Total, Western	4,685	4,580	3,957
Total, U.S.	17,025	16,890	14,990

In short tons (000).
Source: U.S. Dept. of Energy, Energy Information Admin.: Weekly Coal Report

Coal Labor	Apr.80	Mar.80	Apr.79
All employees			
Coal mining	258.9	257.5	259.7
Bitum & lignite	255.9	254.5	256.8
Production employees			
Coal mining	216.0	214.4	217.7
Bitum & lignite	213.3	211.7	215.1
Hours, weekly average			
Coal mining	39.9	40.4	40.8
Bitum & lignite	39.9	40.4	40.9
Earnings, hourly average			
Coal mining	10.79	10.45	10.45
Bitum & lignite	10.82	10.47	10.48
Earnings, weekly average			
Coal mining	430.52	422.18	428.38
Bitum & lignite	431.72	422.99	428.63

Source: U.S. Dept. of Labor, Bureau of Labor Statistics - Employment and Earnings.

TRANSPORTATION: RAILROAD	6/7/80	5/31/80	6/9/79
Eastern district			
Bessemer and Lake Erie	1,188	1,054	1,844
Baltimore and Ohio	7,287	5,147	6,918
Chesapeake and Ohio	17,536	13,107	13,526
Consolidated Rail Corp.	9,268	7,336	10,848
Norfolk and Western	20,519	15,510	17,070
Pittsburgh & Lake Erie	409	278	413
Western Maryland	2,818	1,745	2,896
Other, eastern district	170	38	25
Total, eastern district	59,195	44,217	53,140
Southern district			
Clinchfield Railroad	2,390	2,481	1,926
Illinois Central Gulf	4,106	3,225	4,038
Louisville Nashville	14,451	12,391	12,794
Southern Railway	7,681	7,095	7,178
Other, southern district	11	2	6
Total, southern dist.	28,639	25,194	25,942
Western district			
Atchison, Topeka & Santa Fe	1,892	1,195	1,546
Burlington Northern	17,926	18,570	15,910
Chicago & North Western	685	748	646
Denver & Rio Grande Wstrn	3,402	3,277	2,782
Kansas City Southern	107	102	161
Chicago, Milwaukee, St. Paul & Pac.	1,144	1,048	1,039
Missouri-Kansas-Tex	139	108	294
Missouri Pacific	4,093	3,717	4,183
Chicago, Rock Is. & Pac.	—	—	175
St. Louis-San Francisco	905	790	833
Soo Line	19	67	47
Union Pacific	3,244	3,219	4,022
Other, western district	42	58	—
Total western district	33,396	32,895	32,618
Total, all districts	121,232	102,306	111,700

Inland Rivers	6/14/80	6/7/80	6/16/79
Monongahela River, Lock 3	331,412	352,808	389,354
Allegheny River, Lock 2	20,700	15,300	47,800
Ohio River, Montgmry Lock	237,700	243,982	382,400

In short tons through locks
Source: U.S. Army, Corps of Engineers, Pittsburgh District

Data given in short tons (000).

Data given in short tons (000).

Coal User Production			
Major direct users:	Recent	Previous	Yr.Ago
Electric Utilities (Mil.Kwh, June 14)	42,825	44,282	43,950
Steel (short tons-000, June 14)	1,772	1,830	2,922
Cement, Portland, U.S. shipments (short tons, Apr. 80)	5,883,894	4,581,984	6,289,287
Other significant output:			
Aluminum (short tons, May'80)	438,050	421,105	423,377
Motor vehicle production, total (week, June 14)	143,440	141,935	252,579
Machine tools, ($000, Apr.'80)			
Net new orders	414,950	528,650	481,650
Shipments	344,000	460,000	305,000

Sources: Edison Electric Institute; American Iron & Steel Institute; U.S. Dept. of Interior, Bureau of Mines, Div. of Nonmetallic Minerals; Aluminum Association; Motor Vehicle Manufacturers Assoc.; National Machine Tool Builders Assoc.

PRICE INDEXES	5/80	4/80	5/79
Coal	464.8	463.3	450.8

	Anthracite	Chestnut, Pa. mine	Buckwheat No. 1, Pa. mine	Bituminous coal	Domestic sizes	Retail dealers	Industrial sizes, spot	Steam electric util.	Manufacturing	Metallurgical, high volatile	Metallurgical, low & medium volatile	Industrial sizes, contract	Steam, elec. util.	Manufacturing	Metallurgical, high volatile	Coke (Foundry by-product)	Birmingham, Ala.	Milwaukee, Wis.	Detroit, Mich.	Indianapolis, Ind.	St. Louis, Missouri	Philadelphia, Penna.
1980	461.8	408.9	515.5	464.3	580.7	274.7	394.7	120.9	250.9	696.5	703.0	131.8	157.5	120.0	99.4	430.6	439.6	420.4	423.1	437.7	286.8	285.8
1979	467.6	394.1	485.3	451.2	573.9	271.5	393.4	119.4	251.4	710.0	706.0	127.2	146.0	117.7	104.4	430.6	434.0	420.4	N.A.	437.7	286.8	285.8

Abbreviations

DOE — Dept. of Energy
EIA — Energy Information Admin.
AAR — Assn. of American Railroads
EEI — Edison Electric Institute
MVMA — Motor Vehicle Mfrs. Ass.
COE — Corps of Engineers
Bit. — Bituminous
Lig. — Lignite
Ant. — Anthracite

EXPORTS

	Physical Value			Dollar Value		Prices—Avg. Value per Short Ton			
	Apr. 1980	Mar. 1980	Apr. 1979	Apr. 1980	Mar. 1980	Apr. 1979	Apr. 1980	Mar. 1980	Apr. 1979
Bituminous coal, low volatile blends to make coke									
Japan	1,966,246	1,633,165	1,225,937	114,573,702	95,443,272	71,820,418	58.27	58.44	58.42
France	416,689	567,811	343,510	23,015,180	25,606,224	18,669,037	55.23	43.91	54.35
Italy	574,983	538,041	420,358	30,324,268	28,714,195	21,774,467	52.74	53.37	51.80
Netherlands	287,378	265,627	108,333	13,899,482	12,522,537	5,986,670	47.57	50.91	56.30
Spain	220,421	59,362	45,342	11,183,723	2,999,235	2,431,404	50.73	50.52	53.62
Belgium	166,035	275,105	264,432	7,723,749	15,824,259	12,139,791	46.52	57.52	45.91
Germany, F.R. (West)	199,026	—	40,540	10,296,323	—	2,036,198	51.73	—	50.30
Canada	844,482	301,784	860,147	48,398,365	17,444,172	50,501,387	57.31	57.80	57.38
Total, above	4,675,260	3,660,895	3,328,599	259,184,792	199,755,994	185,162,373	55.44	54.56	55.66
Total, other nations	861,804	859,588	728,045	43,068,140	42,401,519	37,866,167	49.97	49.33	52.04
Total, all nations.	5,537,064	4,520,483	4,054,644	302,252,932	242,157,513	223,048,540	54.59	53.57	55.01
Bituminous coal, other									
France	250,301	328,657	—	8,246,049	10,621,854	—	32.94	32.52	—
Netherlands	144,997	128,611	—	5,910,244	4,751,779	—	40.76	36.95	—
Spain	127,794	50,921	—	5,082,271	2,509,599	—	39.77	49.28	—
Canada	1,063,266	20,687	1,166,427	44,044,099	883,481	45,489,975	41.42	42.71	39.00
Total, above	1,586,358	528,876	1,166,427	63,282,663	18,766,713	45,489,975	39.89	35.62	39.00
Total, other nations	290,843	517,662	6,133	12,303,647	20,881,797	323,694	42.30	40.34	52.77
Total, all nations	1,877,201	1,044,538	1,172,560	75,586,310	39,648,510	45,813,669	40.27	37.96	39.07
..z									
Lignite									
Total, all nations	3,592	924	3,216	554,214	148,961	552,026	154.29	161.21	171.65
Coal coke for use as fuel									
Total, all nations	244,584	180,879	92,377	15,428,660	12,064,636	5,524,098	63.08	66.81	59.83
Petroleum coke, except calcined									
Total, all nations	420,304	607,221	799,611	15,719,933	23,368,294	23,296,502	37.40	38.48	29.13
Compositions used for fuel									
Total, all nations	25,559	6,359	2,671	793,164	281,859	362,963	31.03	44.32	135.89

	Physical Value			Dollar Value		Prices—Avg. Value per Short Ton			
	Apr. 1980	Mar. 1980	Apr. 1979	Apr. 1980	Mar. 1980	Apr. 1979	Apr. 1980	Mar. 1980	Apr. 1979
Anthracite									
Japan	12,115	—	—	867,741	—	—	71.63	—	—
Korea, Rep. (South)	28,154	—	—	835,222	—	—	29.67	—	—
France	34,316	23,019	—	1,681,479	1,550,869	—	49.00	67.37	—
Canada	63,620	6,171	38,318	4,010,208	389,523	2,382,843	63.03	63.12	62.19
Total, above	138,205	29,190	38,318	7,394,649	1,940,392	2,382,843	53.50	66.47	62.19
Total, other nations	6,442	38,107	2,484	1,003,829	2,104,133	246,506	155.83	55.22	99.24
Total, all nations	144,647	67,297	40,802	8,398,477	4,044,525	2,629,349	58.06	60.10	64.44
COAL IMPORTS									
Bituminous coal									
South Africa	59,973	61,015	67,730	1,284,775	1,306,339	1,450,094	21.42	21.41	21.41
Other nations	48	28,539	48	4,002	935,665	1,635	83.38	32.79	34.06
Total, all nations	60,021	89,554	67,778	1,288,777	2,242,004	1,451,729	21.47	25.04	21.42
Coke, suitable for fuel									
Japan	23,290	42,245	—	2,454,177	3,429,998	—	105.37	81.19	—
Germany, F.R. (West)	—	23	194,214	—	1,779	17,553,492	—	77.35	90.38
Argentina	22,637	—	27,207	224,879	—	475,140	9.93	—	17.46
Total, above	45,927	42,268	221,421	2,679,056	3,431,777	18,028,632	58.33	81.19	81.42
Total, other nations	10,361	7,853	70,802	808,311	608,288	5,838,431	78.01	77.46	82.46
Total, all nations	56,288	50,121	292,223	3,487,367	4,040,065	23,867,063	61.96	80.61	81.67
Compositions for fuel									
Canada (only importer)	3,767	1,459	2,823	151,337	60,426	73,868	40.17	41.42	26.17
Coal, other, and lignite									
Australia	—	—	56,892	—	—	1,841,385	—	—	32.48
Canada	3,224	3,480	2,903	125,747	135,116	78,203	39.00	38.83	26.94
Poland	—	—	33,747	—	—	978,661	—	—	29.00
Total, above	3,224	3,480	93,342	125,747	135,116	2,898,249	39.00	38.83	31.05
Total, other nations	—	—	—	—	—	—	—	—	—
Total, all nations	3,224	3,480	93,342	125,747	135,116	2,898,249	39.00	38.83	31.05

Once, Jennifer would have died within a year. Now, like more and more children with leukemia, she's busy growing up. And the chances are good that someday she'll be growing old. You can make a difference. Support the American Cancer Society. And have regular checkups. Early diagnosis and treatment could make a difference to you.

American Cancer Society

CANCER CAN BE BEAT

Almost 2 million people are living proof your contributions count.

This space contributed as a public service.

NOTE

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